# STATE OF ARIZONA

JUL 22 2013

# DEPARTMENT OF INSURANCE

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 In the Matter of International Credit of North America	) ) Docket No. 13A-08 )	0-INS
Reinsurance, Inc. (NAIC No. 34860)	) ORDER SUMMARI ) CERTIFICATE OF ) NOTIFICATION OF	AUTHORITY AND
Respondent.	)	

The State of Arizona, Department of Insurance (the "Department") received evidence that International Credit of North America Reinsurance, Inc. ("Respondent") violated provisions of Title 20, Arizona Revised Statutes ("A.R.S."). In light of the serious nature of these allegations, the Director of Insurance for the State of Arizona ("Director") finds that the public health, safety and welfare imperatively require emergency action, within the meaning of A.R.S. §41-1092.11(B).

#### FINDINGS OF FACT

- 1. Respondent is a capital stock company domiciled in New York and presently holds a certificate of authority issued by the Department to transact surety business.
- 2. Respondent filed its first quarter financial statement as of March 31, 2013, disclosing negative surplus in the amount of \$511,158. The balance does not meet the minimum surplus required pursuant to A.R.S. §20-211 of \$250,000.
- 3. The surplus level reported in the first quarter financial statement is considered hazardous to the continued operations of the company pursuant to A.A.C. R20-6-308(A)(1).
  - 4. The public health, safety and welfare imperatively require emergency action.

### **CONCLUSIONS OF LAW**

1. The Director has jurisdiction over this matter.

- 2. Respondent's failure to maintain minimum surplus required pursuant to A.R.S. §20-211 is considered hazardous to the continued operations of the company pursuant to A.A.C. R20-6-308(A)(1).
- 3. Grounds exist for the Director to suspend or revoke Respondent's certificate of authority pursuant to A.R.S. §§ 20-219(2), 20-220(A)(3) and A.A.C. R20-6-308(A)(1).
- 4. Grounds exist to order a summary suspension within the meaning of A.R.S. § 41-1092.11(B).

## **ORDER**

## IT IS HEREBY ORDERED:

Respondent's Arizona certificate of authority is summarily suspended.
Respondent is prohibited from the issuance of new and renewal insurance business effective immediately.

DATED this 22nd day of July 2013.

Germaine L. Marks Director of Insurance

#### **NOTIFICATION OF RIGHTS**

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You have the right to request a hearing on this determination by filing a notice of appeal after your receipt of this notice. The notice of appeal must identify the party appealing, the party's address, the matter being appealed and must contain a detailed statement of the reason for the appeal. Your hearing will be treated as a "contested case" and promptly instituted and determined as prescribed by A.R.S. §§41-1001(4), 41-1092.11(B) and

41-1092.05(E) to the extent the Office of Administrative Hearings calendar permits. In any event, your hearing will be held within sixty (60) days of your notice of appeal is filed, unless the hearing is advanced or delayed by agreement or a showing of good cause by any party. The Department of Insurance will promptly serve a "Notice of Hearing" in accordance with A.R.S. §41-1092.05(E) that will inform you of the date, time and location of the hearing as well as the issues.

If you file an appeal, you may also request an "informal settlement conference" pursuant to A.R.S. §41-1092.06 by filing a written request **no more than twenty (20) days before the scheduled hearing.** The conference will be held within fifteen (15) days after our receipt of your request. If an informal settlement conference is requested, a person with the authority to act on behalf of the Department of Insurance will be present. Please note that you waive any right to object to the participation of the Department's representative in the final administrative decision of the matter if it is not settled.

Your notice of appeal and/or request for an informal settlement conference may be addressed to the attention of:

Hearing Administration Arizona Department of Insurance Notice of Appeal 2910 North 44<sup>th</sup> Street, Suite 210 Phoenix, Arizona 85018-7256

COPY of the foregoing mailed/delivered this <u>22rd</u> day of July 2013 to:

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